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1) Bush says good-bye to Aso

ASAHI (Page 4) (Full)  
January 20, 2009

"I will hand over the presidency to Mr. Obama tomorrow," U.S. President Bush, whose term is to end today, told Prime Minister Aso yesterday evening over the telephone. "I'm glad that our two countries have been able to work together over the past eight years to deal with various challenges facing the international community," Bush said.

Bush proposed the telephone call, and Aso responded at his official residence. Aso told Bush, "I will never forget your encouraging

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support of Japan on the abductions and other bilateral issues with North Korea." Aso was also quoted as saying, "Over the past eight years, the Japan-U.S. alliance has greatly deepened in the security area."

2) Japan-U.S. summit by late March: gov't

YOMIURI (Page 2) (Full)  
January 20, 2009

The government has entered into coordination with the U.S. government for Prime Minister Aso to visit the United States before the second financial summit, which is scheduled to be held in London on April 2, for a summit meeting with incoming U.S. President Obama, government sources revealed yesterday.

The summit meeting is expected to focus on the current financial crisis and other economic issues. Aso and Obama will also reconfirm the Japan-U.S. alliance and its importance. In addition, the two leaders will also confirm that Japan and the United States will work together to meet climate change and fight terrorism. Aso will ask Obama for cooperation over North Korea's nuclear programs and Japanese nationals abducted to North Korea.

Meanwhile, Aso had a telephone conversation with outgoing U.S. President Bush yesterday evening. Aso expressed his gratitude to Bush, saying: "I would like to express my respect again for your heavy responsibility you have fulfilled as the world leader. I will never forget your encouraging support of Japan over bilateral issues with North Korea, including the abduction issue. The alliance between Japan and the United States has significantly deepened (during Bush's terms) over the past eight years."

Bush told Aso, "I am glad that the United States and Japan have been able to work together to meet various challenges facing the international community." The telephone conversation was held at Bush's proposal.

3) Government to cooperate with Obama administration on environment, trade, proposing complete overhaul of regular bilateral dialogues

NIKKEI (Page 1) (Full)  
January 17, 2009

Following the inauguration of President Barack Obama on Jan. 20, the Japanese government will enter into consultations with Washington on creating a new economic dialogue to be carried out at regular intervals. In addition to bilateral issues, the proposal will likely include the setting up of several forums for dialogue on such global-scale problems as the world economy. Particularly on the global-warming issue, since the Obama administration is expected to change to a more pro-active stance than the Bush administration, Tokyo's thinking is for Japan to take the initiative in international negotiations that will start in earnest through the accumulation of close consultations with the U.S.

Currently, there are regular talks with the Bush administration called, U.S.-Japan Partnership for Growth, with meetings held on such specific themes as regulatory reform and trade. Taking advantage of the launching of the Obama administration, the government would revamp these talks. Because it has been eight years since there was a Democratic Party administration in Washington, the

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judgment was that it was important to build up a multilayered relationship by installing a fixed framework to enable the carrying out of a dialogue on several fronts.

After the Obama administration is launched, the government is thinking of reaching agreement as early as spring based on talks. Specifically, other than global environment problems, the plan is to create several forums for tackling such broad topics as regulatory reform, investment, trade, and fiscal policy. There is also a conceptual plan for the creation of an additional forum for private-sector business and knowledgeable persons to exchange views. As for the dialogue, consideration is being given to have vice-minister level meetings more than once a year from the various relevant ministries and agencies such as the Foreign Ministry and Ministry of Economy, Trade, and Industry. The name for the dialogue will be nailed down later when the next U.S. administration is in place.

4) Poll: Majority in 17 countries sees U.S. foreign relations as changing for the better with Obama administration

YOMIURI (Page 2) (Full)  
January 20, 2009

The Yomiuri Shimbun conducted a joint opinion poll with British Broadcasting Corporation (BBC) in 17 countries, including the United States and countries in Europe and Asia. In the survey, respondents were asked if they thought the United States' foreign relations would improve with President-elect Obama and his incoming administration. To this question, "yes" accounted for a majority in all countries. Obama's advocacy of switching from the Bush administration's unilateralism to multilateral cooperation seems to have led to public expectations for better relations.

In Japan, "yes" accounted for 48 PERCENT, the second lowest level among all 17 countries. Meanwhile, "no change" reached 37 PERCENT, the highest figure among the 17 countries. Among other countries, "yes" accounted for 78 PERCENT in Germany and 76 PERCENT in France. As seen from these results, the figure was high in European countries that were at odds with the United States over its war in Iraq under the Bush administration.

Respondents were further asked how they thought Obama should respond to the current international challenges. To this question, a majority in all 17 countries answered that the financial crisis should top the agenda. The figure reached 93 PERCENT in China, 77 PERCENT in Japan, and 75 PERCENT in the United States.

The survey was initiated by BBC and conducted from November last year through January this year in a total of 17 countries, including the United States, France, Germany, and Russia. There were answers from 17,356 persons. The Yomiuri Shimbun was in charge of polling in Japan.

5) Aso to vow in policy speech full anti-piracy efforts

Prime Minister Aso decided yesterday to vow in a policy speech in the Diet that the government will make utmost efforts to deal with piracy. He intends to announce a plan to dispatch Maritime

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Self-Defense Force (MSDF) vessels to waters off Somalia, Africa, by issuing an order for maritime security operations under the Self-Defense Forces Law while making utmost efforts to enact new legislation against pirates.

In the speech, Aso will emphasize that the rampant piracy in waters off Somalia is "a threat to the international community, including Japan, and a challenge that must be handled immediately." He will also state: "Japan, as a seafaring country, should promptly map out feasible measures in cooperation with other countries and look into preparing new legislation." He will express his resolve to enact "a law to punish and crack down on pirates" while invoking a provision for maritime policing action. The government and the ruling coalition hope to set the prime minister's policy speech for Jan. 26 after seeing progress in deliberations on the second supplementary budget bill for fiscal 2008 in the House of Councillors.

6) Government to dispatch MSDF vessels to Somalia to protect Japan-related ships from pirates possibly in March

ASAHI (Page 1) (Full)  
January 17, 2009

The government has decided to issue an order for maritime policing action based on the Self-Defense Forces Law possibly in March to dispatch Maritime Self-Defense Force (MSDF) vessels to waters off Somalia, the eastern part of Africa, to prevent possible attacks by pirates. Defense Minister Hamada will instruct the MSDF later this month to launch preparations. The government and the ruling camp intend to submit related a new anti-piracy bill to the Diet by early March. However, since it will take time for such legislation to pass through the Diet, they have decided to temporarily resort to the provision pertaining to maritime policing action.

The ruling camp's project team has decided to set guidelines for MSDF operations on Jan. 20. Prime Minister Aso told reporters at the Prime Minister's Office yesterday: "As soon as the team prepares guidelines, the government will swiftly take action. Immediate action is needed." The defense minister will instruct the MSDF to start preparations in response to the prime minister's intention after the necessary procedures in the Liberal Democratic Party and the New Komeito are completed. The period of preparations is said to be one to two months, so the government expects to start MSDF operations off Somalia in March or later.

The government and the ruling camp have decided to have the MSDF also provide protection to foreign vessels carrying Japanese people or goods, in addition to Japan-related ships. Troops will be allowed to use weapons during anti-piracy operations only in the cases of legitimate self-defense and averting imminent danger under the Policemen's Duty Performance Law. After a basic plan is adopted in a cabinet meeting, the government will detail it in a Diet session.

Given that the provision does not assume the dispatch of MSDF vessels to the open sea, some critics point out the unclarity of weapon-use standards. To make it clear that the invoking of the provision is a stopgap measure by the time of the passage of new legislation, the government intends to issue an order when new legislation is endorsed in a cabinet meeting.

According to a report revealed on Jan. 16 by the International Maritime Bureau (based in London), the number of piracy cases that

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occurred off Somalia in 2008 doubled that in the previous year to 111, accounting for slightly less than 40 PERCENT of the 293 cases

across the world.

7) Government decides to dispatch MSDF vessels to Somalia waters;  
Weapons use yet to be fully discussed

MAINICHI (Page 5) (Full)  
January 17, 2009

Prime Minister Taro Aso has decided to issue an order to the Maritime Self-Defense Force (MSDF) for maritime security operations in support of international anti-piracy efforts in waters off Somalia. This decision reflects his desire to prevent Japan from falling behind the U.S., European countries and China, which have already sent vessels into the pirate-infested waters. The government intends to deploy MSDF vessels to the waters under a provision in the Self-Defense Forces Law for maritime security operations, but since it assumes operations in Japanese waters, there are a number of legal problems, such as standards for the use of weapons. Further, no prospects are in sight for new anti-piracy legislation to clear the Diet as aimed at by the government and the ruling camp, either. British and Indian naval forces reportedly killed or wounded pirates and civilians in that area. The government is set to issue the order before fully discussing the SDF's risk of using weapons overseas for the first time. The political decision came before such a discussion.

A member of the ruling parties' project team tasked with working out anti-piracy measures said: "Destroyers should be sent out anyhow. There is no need to think about anything difficult." The team, which was launched on Jan. 9, is eager, in a sense, to persuade Defense Minister Yasukazu Hamada and others who are cautious about issuing an order for maritime security operations.

The MSDF, however, will not be allowed to use weapons unless it is for legitimate self-defense or avoiding imminent danger. The government invoked the provision for maritime policing action twice in the past against an unidentified ship violating Japanese waters and in another case. The provision does not assume an escort mission in the open sea.

A senior Defense Ministry official grumbled: "The government will not be able to hold out if the MSDF does not extend a helping hand to foreign ships or kill or wound pirates as a result of excessive self-defense." The prime minister will leave a serious judgment to the commander in the region. This decision may become a turning point for SDF missions overseas.

8) Government likely to dispatch MSDF on Somalia anti-piracy mission by jumping gun; Some are tolerant of allowing MSDF to sink pirate ships on unexpected high-seas mission

MAINICHI (Page 2) (Abridged slightly)  
January 18, 2009

Ryo Matsuo

The government has decided to dispatch the Maritime Self-Defense Force to conduct anti-piracy operations in waters off Somalia, East Africa, by invoking the maritime policing activity clause. It will be the country's third case of maritime policing activities. In the

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two previous cases, the MSDF was mobilized to deal with certain submarines that entered into Japanese territorial waters. This time round, the MSDF will be on a long-term high-seas mission to protect merchant ships from pirates. With the envisioned MSDF mission only discussed in outline by the government and the ruling bloc, there still remain many challenges. The government is likely to dispatch the MSDF by jumping the gun.

Geographical restrictions are not specified under Article 82 of the SDF Law that stipulates maritime policing activities. There is a view in the Defense Ministry that has envisaged only responses to intrusions into Japanese waters by such countries as North Korea and China that it is insufficient to dispatch the MSDF on a long-term pelagic mission under Article 82.

At the same time, there is a sense of alarm about the government and ruling bloc that have yet to deepen their discussion on the envisaged anti-piracy mission that would force the MSDF to undertake unprecedented duties, such as escorting (commercial vessels) and dealing with heavily armed pirates.

Last year, an incident occurred in which hostages died because the Indian Navy sank a fishing boat on which pirates boarded. Based on this case, the ruling bloc's project team temporarily tilted toward the idea that such was possible for the MSDF, as well. Fearing MSDF members being charged for excessive self-defense, the Defense Ministry revised the course.

Such was probably because the optimistic view has been prevalent that no pirates would attack destroyers. But as seen in Defense Minister Yasukazu Hamada's comment, "In view of every possible situation, we cannot discuss (the anti-piracy mission) so easily," the ministry is calling for a cautious setup.

Meanwhile, in performing maritime policing activities, the use of weapons is limited to legitimate self-defense and emergency evacuations under the Police Duties Execution Law. An order for maritime policing activities was issued for the first time in 1999 in reaction to an intrusion into waters off the Noto Peninsula by a suspicious boat. In this incident, the boat moved out of Japanese waters toward North Korea as an MSDF destroyer fired warning shots at it and a P3C dropped a bomb close to it. In 2004, the MSDF stopped short of firing shots as an order was issued after a Chinese nuclear-powered submarine left Japanese territorial waters.

In December 2001, a Japan Coast Guard patrol boat fired at a suspicious vessel in the East China Sea after it was attacked by a rocket bomb. At the time, an order for maritime policing activities was not issued.

#### 9) Numerous challenges to dispatching MSDF to waters off Somalia troubling government

TOKYO SHIMBUN (Page 2) (Excerpts)  
January 19, 2009

The government is moving ahead with preparations to dispatch the Maritime Self-Defense Force (MSDF) for anti-piracy operations in the waters off Somalia in Africa. With the emphasis being on speed, there has been no time to prepare new legislation, but the dispatch based on the maritime policing action provision of the Self-Defense Forces Law leaves many problems unanswered.

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After the ruling parties' project team on anti-piracy measures formally approves the dispatch of MSDF vessels on or around Jan. 20, Prime Minister Aso will instruct Defense Minister Hamada to prepare the dispatch. It will take approximately a month for the MSDF to get ready to sail, so the outlook is that the operation will begin in the area around Somalia in March or later. The government is rushing the dispatch because of the request for such from the maritime shipping industry. While European, U.S. and even China are sending warships, Japan is afraid it is being left behind.

However, the maritime policing action is a provision that assumes criminal intrusion into Japanese waters such as by a suspicious vessel. It was set up to handle situations in waters near Japan.

The government argues that there is no geographical limit citing language in the SDF law that allows the "protection of lives and property at sea." However, such a broad interpretation is likely to be pursued by the opposition parties. The use of weapons applies the standard set by the Police Law. It is limited to proper self-defense and emergency evacuation, allowing warning shots and firing at a threat.

However, it is difficult when at the local site the judge in an instance what firing is possible. At a meeting of the project team on the 15th, the chief cabinet secretary took the view that it was

possible to fire at the pirate ships, but the Defense Ministry is reluctant to take such steps, so re-coordination is going on. If a foreign ship is attacked by pirates, the MSDF can only look on. The only recourse it has is to report the incident to the warships of another country.

10) Measures against piracy in waters off Somalia: Defense Ministry mulling dispatching special unit to rescue vessels; Possibility of using weapons to increase

TOKYO SHIMBUN (Top Play) (Full)  
January 17, 2009

Tokyo Shimbun learned on January 16 that the Defense Ministry, which now finds it imperative to come up with measures, are mulling dispatching the Maritime Self-Defense Force's (MSDF) special unit "Special Security Guard" along with an escort ship, envisaging the rescue of a captured vessel. The dispatch of a special unit will enhance the efficacy of measures against piracy. It will also increase the possibility of the use of weapons.

The Special Security Guard was formed at the MSDF's Edajima Base in Hiroshima Prefecture in March 2001 with North Korea's spy ship incident occurred off the Noto Peninsula as the occasion. It consists of three platoons with about 80 personnel. Their duty is to get aboard a spy ship, using a high-speed boat and a helicopter, and put down pirates by force.

The government plans to adopt an escort system of an escort ship leading Japanese ships. However, there is the possibility of a ship that deviated from the convoy or a ship that is navigating on its own being attacked. A plan to use the Special Security Guard surfaced, because it would be unforgivable to say "we could not do anything at that point," as a Defense Ministry source said.

According to the Defense Ministry's plan, one platoon consisting of  
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over 20 personnel from the Special Security Guard will be on board an escort ship. The ship will be fitted with a high-speed boat. A helicopter fitted to the escort ship will also be used.

The government intends to dispatch the MSDF, announcing maritime security guard activities stipulated under the Self-Defense Forces (SDF) Law. The use of weapons will be allowed only for self defense or emergency evacuation.

Even so, in the event the enemy was a country or an equivalent organization, if the Special Security Guard goes off to rescue a captured ship, the action would constitute an emergency escort (kaketsuke keigo), the use of armed force, which Article 9 of the Constitution bans. The government's position is that since international law stipulates pirates as civilians, emergency escort does not fall under the use of armed force.

However, some Defense Ministry officials are cautious about the plan, with one saying, "We should not consider anti-piracy measures casually, because if a rescue operation brings about many casualties, public opinion could come to a pitch of excitement, resulting in the downfall of the Aso cabinet.

Prime Minister to order preparation for dispatch of MSDF vessel possibly next week

Referring to the dispatch of an MSDF vessel as a measure against piracy in the waters off Somalia, Prime Minister Taro Aso on the evening of the 16th noted, "Once the ruling parties' project team reaches a decision, the government will take an action immediately."

Aso thus indicated his intention to order Defense Minister Yasukazu Hamada to prepare the dispatch of an MSDF ship immediately, once the ruling parties' project team at a meeting to be held on the 20 approves such a dispatch, based on the announcement of maritime security activities under the SDF Law.

Aso late last year ordered the ruling parties and Hamada consider establishing a new law on the dispatch of an MSDF vessel for maritime security activities and anti-piracy measures. He thus indicated his intention to dispatch an MSDF ship, by ending coordination of views among the government and the ruling parties quickly.

11) Gov't, ruling coalition not to open guidelines for fighting back against pirates

ASAHI (Page 4) (Full)  
January 20, 2009

The government and the ruling parties have decided not to open weapons use guidelines or the so-called rules of engagement (ROE) for the Maritime Self-Defense Force's maritime security operations against pirates in waters off Somalia. MSDF personnel will be allowed to use weapons under a law that governs police officers in the line of duty, and their use of weapons is limited to legitimate self-defense or emergency evacuation only. However, the government will not disclose any specific cases about their use of weapons.

The ROE is what prescribes conditions to allow weapons use and sets procedures to fight back. The armed forces of foreign countries have

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their own guidelines that are usually confidential. The ruling Liberal Democratic Party and its coalition partner, the New Komeito, will hold a meeting of their antipiracy project team today to discuss antipiracy measures, focusing on weapons use. In the meeting, the project team is expected to approve the government's weapons use guidelines based on the Police Officers Duty Performance Law and will allow weapons use specifically in conformity with the ROE, which will be determined by the Defense Ministry in consultations with the Justice Ministry and the National Police Agency.

Concerning the use of weapons in maritime security operations, the ruling coalition's project team has referred to British and Indian naval vessels' recent shootouts against pirates as actions within the scope of legitimate self-defense and emergency evacuation. However, the Defense Ministry remains reluctant to nod.

12) Defense Ministry to develop early warning satellite in wake of enactment of space law

SANKEI (Page 2) (Abridged slightly)  
January 17, 2009

The Defense Ministry on Jan. 16 formulated the basic policy for the development and use of space, following the enactment of the basic law on the use of space that lifted the ban on using space for defense purposes. As future steps, the policy lists the development of an early warning satellite that can detect a ballistic missile soon after it is launched and a study on electric wave gathering satellite to monitor military radio communications. Also in the policy is a study on a system to launch small satellites using aircrafts.

In the world, only the United States and Russia possess early warning satellites. The introduction of such would be a focus in formulating the new National Defense Program Guidelines (NDPG) and the Midterm Defense Buildup Program (fiscal 2010 - 2014) by the end of the year. If the introduction of early warning satellites is incorporated in the NDPG and the midterm buildup program, the ministry plans to launch on a priority basis the study and development of a highly sensitive infrared sensor capable of detecting ground-launched missiles from satellites.

The current ballistic missile defense (MBD) system is designed for ground- and ship-based radars to detect and track a ballistic missile flying to Japan and for sea-based MS-3 missiles to intercept it. Missile launch information can be detected only by U.S. early warning satellites, and the Self-Defense Forces receive such information from the United States. Further, the information-gathering satellites now in operation can take imagery

that is on a commercial level in resolution.

Because the envisaged satellite can be used for multiple purposes, such as disaster monitoring, the government plans to study it with the involvement of all government offices. At the same time, the Defense Ministry plans to study the development of a satellite picking military radio communications and electric waves over Japan. Nevertheless, it has already been five years since a project was launched for the development of intelligence-gathering satellites to be operated by the Cabinet Satellite Intelligence Center. "Putting such satellites to practical use would be a mid- to long-term project," a senior Defense Ministry official noted.

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13) Battle between ruling, opposition camps over whether to take vote on second extra budget on Jan. 23

NIKKEI (Page 2) (Full)  
January 19, 2009

The Diet will start deliberations on the second supplementary budget for fiscal 2008, including the 2 trillion yen cash-handout program, in the House of Councillors committee. The ruling parties aim to take a vote on the fiscal 2008 second budget and related bills and enact them by Jan. 23. The ruling coalition is also considering launching deliberations on the state budget for fiscal 2009 before submitting a stopgap bill to maintain the current provisional rates for gasoline and other road-related taxes.

Appearing on an NHK talk show on Sunday, Tadamori Oshima, chairman of the ruling Liberal Democratic Party's (LDP) Diet Affairs Committee, urged the Democratic Party of Japan (DPJ), the largest party in the House of Councillors, to cooperate to enact the second supplementary budget before the end of this week. DPJ Diet Affairs Committee Chairman Kenji Yamaoka, however, categorically said on the talk show: "(Enacting on Jan. 23) is not our party's decision." He then asserted the need for thorough deliberations, arguing: "There are many themes such as the consumption issue and the issue of 'watari' practice (in which retired bureaucrats are allowed to switch one cushy job to another multiple times)"

In consideration of possible negative effects on the livelihoods of the people should the budget for fiscal 2009 and related bills fail to clear the Diet before the end of March, the ruling coalition is considering submitting a stopgap bill to extend the current provisional rates for gasoline and other road-related taxes beyond their expiration at the end of March. The ruling camp will make a decision as early as this week on whether to present the bill after ascertaining how the opposition will act.

14) Prime Minister Aso to promise in draft policy speech to increase 1.6 million jobs over three years

NIKKEI (Page 2) (Full)  
January 19, 2009

The contents of a draft policy speech Prime Minister Taro Aso will deliver at the Diet were revealed on Jan. 18. In the wake of the sudden worsening of the employment situation, Aso promises in the draft policy speech to establish a foundation with the worth of 400 billion yen in regional areas, as well as to create 1.6 million jobs over the next three years by supporting medical and nursing-care services.

Aso also pledges to give priority to stimulating the economy for the time being. He stresses that he aims to have Japan overcome the economic slump at first in the world, after enacting the fiscal 2008 second supplementary budget and fiscal 2009 budget as early as possible.

Regarding the medium- and long-term economic and fiscal management, Aso promises to come up with legal measures necessary for implementing in fiscal 2011 tax reforms, including the consumption tax.

15) Premier to stress in policy speech consumption tax hike in fiscal 2011

YOMIURI (Top play) (Almost full)  
January 18, 2009

The full text of a draft policy speech Prime Minister Aso will deliver in the current Diet session was revealed on Jan. 17. The draft underscores a hike in the consumption tax in fiscal 2011, premised on an economic turnaround. Following the sharp deterioration of the employment situation, it also notes a government plan to implement an employment measure that will create 1.6 million jobs. Another feature of the speech is that it clarifies Aso's stance of moving way from the structural reform policy propelled by former Prime Minister Koizumi.

The government and the ruling parties aim at having the prime minister deliver a policy speech on the 26th. The speech places emphasis on making an appeal on the prime minister's ideas and implementation policy to the people. The speech at the outset mentions a society that should be aimed at, followed by main agenda items, instead of a mere list of policies of each government agency. As a result, the text is the shortest with 8,300 letters since the one delivered by former Prime Minister Koizumi in 2006.

The draft stresses the prime minister's determination to hurriedly implement economic stimulus measures so that the economy will emerge from the global recession. It also shows his eagerness to raise the sales tax in fiscal 2011, noting that if public spending is to be increased, responsibility for the fiscal side must be clarified. In order to realize a sustainable social security system, the draft proposes taking necessary legal measures beforehand so that a drastic reform of the tax code, including the consumption tax, can be implemented in fiscal 2011, once the economy recovers, to be lasted in stages by the middle of the 2010s.

The package of additional employment measures adopted in December last year incorporated a goal of creating 1.4 million jobs over three years to deal with the serious employment situation. The draft speech puts up a policy of creating 1.6 million jobs over three years. This figure is the upgraded version of the goal incorporated in the package of employment measures under an Employment New Deal program (tentative name), which the government will compile shortly.

Regarding the role of the government, the draft indicates Aso's stance of moving away from the structural reform policy, pointing out that it is not possible to envision the social and economic form Japan should take, based only on such slogans, 'from the government to the private sector,' or 'a big government or a small government,' and that leaving matters to the market will not necessarily improve everything.

As to measures to deal with piracy in the waters off Somalia, the draft notes that the government will consider establishing a new law, by promptly adopting implementable measures. It thus indicates Aso's determination to dispatch the MSDF, based on the announcement of maritime security activities under the existing law and to establish a pirate punishment and control law.

16) Hidenao Nakagawa hints at possibility of defying Aso's consumption tax proposal

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TOKYO SHIMBUN (Page 2) (Full)  
Evening, January 19, 2009

Hidenao Nakagawa, former secretary general of the ruling Liberal Democratic Party (LDP), asked on a TBS program on the morning of Jan. 19 how he would respond if the timing for increasing the consumption tax was written in an additional clause to a fiscal 2009

tax reform bill, said: "I will make a decision at that time." He hinted at the possibility of not voting in favor of the fiscal 2009 tax reform bill.

He explained the reason for his opposition to the consumption tax hike proposal: "The LDP did not pledge in the 2005 general election campaign to create a law to raise the consumption tax during the current term of the Lower House."

Asked about Prime Minister Taro Aso's eagerness for stipulating the timing of a consumption tax hike in the bill, Nakagawa said: "Making a bold decision for the sake of the people is not a policy flip-flop." He urged Aso to shift his policy.

ZUMWALT